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Insurgency and Counterinsurgency in
Peru, Colombia, and Ecuador

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Central
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Insurgency and Counterinsurgency in Peru, Colombia, and Ecuador

Interagency Intelligence Memorandum

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NI IIM 87-10005

**INSURGENCY AND
COUNTERINSURGENCY IN
PERU, COLOMBIA, AND ECUADOR (S)**

Information available as of 21 April 1987 was used in the preparation of this Memorandum, approved for publication on that date by the Chairman of the National Intelligence Council.

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SCOPE NOTE

The purpose of this Memorandum is to assess the threat of terrorist and insurgent violence in Peru and Colombia in terms of national counterinsurgency capabilities.¹ It treats Ecuador as an exceptional case, where security forces have delivered major, perhaps decisive, setbacks to urban terrorists. The paper also examines the extent of foreign support to local revolutionaries as well as regional and national links among terrorist and insurgent groups. This Memorandum is intended to provide a corollary study to the IIM, *Prospects for Leftist Revolutionary Groups in South America*, published in July 1986. We still regard the overall judgments of that paper as valid, but it was broader in geographic scope and did not focus on the counterinsurgent capabilities of host governments. ☐

¹ For the purposes of this Memorandum, insurgency is defined as protracted political military activity aimed at gaining control of national resources, using both irregular combat units and political front organizations. Insurgent activity can include guerrilla warfare, terrorism, political mobilization, propaganda, recruitment, front and covert party organizations, and international activity. It is designed to weaken government control and legitimacy by increasing insurgent control and legitimacy. The common denominator of most insurgent groups is their desire to control a particular area. This objective differentiates insurgent groups from purely terrorist organizations, whose objectives generally do not include the creation of an alternative government capable of controlling a given area or country. Most of the organizations that we treat in this assessment are insurgent groups—some of which use terrorism as a tactic. Other organizations, however, such as Peru's Tupac Amaru Revolutionary Movement and Ecuador's Alfaro Vive, Carajo, primarily use terrorist tactics and do not easily meet the definition of insurgency. ☐

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KEY JUDGMENTS

The level of leftist-inspired, politically motivated violence continues to rise in Colombia and has increased substantially in Peru in the past few years. Although insurgent gains are likely to be gradual and government security services also will improve their capabilities, on balance we believe that security conditions in Peru and Colombia will worsen over the next two years. From the US perspective, the most immediate consequence of the growing terrorist threat in Peru and Colombia is the growing danger to US citizens and property. Over the longer term, worsening security conditions in these countries could jeopardize US antinarcotics efforts and fundamental US policy objectives regarding the institutionalization of democratic rule. ☐

We judge that current trends in revolutionary activities are likely to continue:

- In Peru, Sendero Luminoso (SL) has expanded its brutal insurgent operations from the rural highlands into new regions, including Lima, where it now has a permanent, highly compartmented terrorist apparatus. Peruvian security forces must also contend with the smaller, urban-based Marxist Tupac Amaru Revolutionary Movement (MRTA) that conducts independent terrorist operations, primarily in Lima, often directed at foreign, especially US, targets.
- In Colombia, the Revolutionary Armed Forces of Colombia (FARC), the largest insurgent force, is the only guerrilla group still claiming adherence to the truce initiated by the government in 1984. FARC is exploiting the legal protection the truce provides, however, to recruit and rearm and is putting the truce under pressure by engaging in limited armed operations, kidnappings, extortion, and other antigovernment activities. Three smaller but active guerrilla organizations, the National Liberation Army (ELN), the 19th of April Movement (M-19), and the Popular Liberation Army (EPL), have formed a loose guerrilla alliance, the National Guerrilla Coordinator (CNG). These groups operate throughout Colombia, with the ELN undertaking increasingly effective attacks on the nation's major oil facilities. In addition, US Embassy personnel remain targets for drug traffickers and guerrillas.
- Ecuador is the exception in the region because government security forces scored impressive gains last year against the Alfaro Vive, Carajo (AVC), an urban extremist group that began to pose a subversive threat in the 1983-85 period. ☐

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Foreign Support to Andean Revolutionaries

Insurgent groups in Colombia and Peru are largely self-sufficient, but most remain open to external support. The Soviets, Cubans, Nicaraguans, and Libyans have contributed varying—but generally limited—amounts of political guidance, training, funding, materiel, and propaganda support to radical leftist groups in the region. The strongest insurgent groups, however, such as the SL—which continues to reject foreign sponsors—and the FARC do not need external support to sustain current levels of operation, in our view:

- We have no evidence of direct Soviet support to Peruvian and Colombian insurgent groups, but we believe Moscow maintains limited contact—and influence—with guerrilla groups, when possible, through intermediaries such as local Communist parties or front organizations. It seems likely, however, that the Soviets channel some aid to Colombian groups through the Cubans, so as to conceal their own role.
- Cuba's influence is of significance only in Colombia. Havana has maintained close and longstanding relationships with several guerrilla groups, and we believe that Castro is probably responsible for the continued viability of the CNG and sees Colombia as a long-term target for destabilization.
- Nicaragua has also provided limited assistance to Colombian revolutionary groups and the Ecuadorean AVC in the form of advice, arms, political and military training, and to a lesser extent funds.
- Libya has supplied limited training and funds to some Colombian groups, especially the M-19, and to the Ecuadorean AVC. Although Tripoli is notorious among Latin American revolutionaries for failing to deliver promised assistance, these contacts continue.

Regional and Internal Insurgent Links

Domestic insurgent coordination is apparent only in Colombia, where the CNG has staged larger and more coordinated attacks than were previously possible by the individual guerrilla groups. In our judgment, however, leadership rivalries and ideological disputes are likely to hinder an effective functional division of responsibility among CNG participants during the next two years.

We doubt that Peru's SL and MRTA groups will ever establish a close relationship because of SL's radical ethnocentricity and its extreme, Maoist rural populism. We have no evidence that they coordinate attacks, and we believe that the coincidence of their actions at

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times reflects both groups' predilection for timing their attacks around major public events in Peru. We cannot rule out the possibility of future cooperation between MRTA and other small radical Peruvian leftist groups because the Castroite MRTA seeks to fuse all "progressive" forces within Peru into one revolutionary organization. []

We believe efforts at transnational insurgent cooperation will continue to falter. The Colombia-based America Battalion is the only multinational guerrilla force in the region. Originally composed of Colombia's M-19, ELN, and EPL, Ecuador's Alfaro Vive, and Peru's Tupac Amaru, the Battalion has suffered significant losses and is now composed almost entirely of M-19 members. We believe that it will continue to function primarily as an M-19 guerrilla unit. We do not expect Peru's SL to establish working relationships with other insurgent organizations in Latin America because of its extreme ethnocentricity. []

Linkages to Drug Traffickers

Colombia's FARC is the only major insurgent group in either Colombia or Peru whose ties to drug traffickers are well documented. It has regularly taxed and provided protection for traffickers and occasionally engages in drug cultivation, production, and merchandising. The FARC probably is using drug money to obtain weapons, and FARC ambushes and sniper fire have made the police reluctant to mount antidrug operations without military support. All other major Colombian insurgent groups—the M-19, ELN, and EPL—reportedly cooperate sporadically with traffickers. []
M-19 has contracted with traffickers to kill proponents of drug control programs, including US officials. []

In Peru, available evidence suggests that cooperation between insurgents and traffickers is limited and episodic. Infrequent reporting suggests that SL occasionally provides security for traffickers, but other reports indicate that SL also extorts money from drug producers and that some rural violence is the result of insurgent-trafficker clashes. Sendero may be gaining local support in some areas by helping villagers in drug producing areas resist government antinarcotics efforts. []

Government Counterinsurgent Capabilities

Peruvian President Garcia has taken some recent steps to strengthen the government's counterattack against insurgent violence, []

[] Garcia continues to send what his

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military chiefs perceive as mixed signals by ordering them on one hand to adopt aggressive tactics to deal with suspected insurgents and to intimidate their supporters while, on the other hand, publicly heralding his administration's commitment to punish human rights abuses committed by the military. Moreover, we believe that his efforts to assert civilian primacy over the military, particularly his creation of a new defense ministry, are widely perceived as meddling in armed forces institutional matters and are likely to distract military leaders from their counterinsurgency mission—at least in the short term. []

In Colombia, President Barco is demonstrating increasing political will to confront the guerrillas, in our judgment. After only nine months in office, Barco appears to be aggressively pursuing programs to bolster the size and strength of Colombia's security forces. Barco has yet to articulate a long-term comprehensive national security strategy, but we believe the new defense plan that was put into motion in January is a first step to try to maximize the use and impact of Bogota's limited defense assets. []

Security forces in both Peru and Colombia [] [] have been unable to curtail increasing guerrilla activity. Although security forces in both countries are improving their capabilities, we believe they will find it difficult to contain insurgent expansion until at least some of the following shortcomings are remedied:

- [] The failure of political leaders, particularly in Peru, to implement an effective and consistent counterinsurgency strategy has negatively affected the performance and initiative of field officers. Some officers are undertaking aggressive patrolling, but others keep their troops garrison bound.
- *Shortage of Trained Personnel.* The officer corps in Peru and Colombia are generally well schooled, but both militaries will continue to suffer from a shortage of pilots, maintenance personnel, and other technical specialists. Conscripts are often illiterate, generally serve only 24 months, and usually attain only a marginally satisfactory standard of proficiency.
- *Shortage of Equipment.* A major deficiency in both countries is poor tactical air mobility and troop transport capability because of a lack of operational helicopters, particularly helicopters that are effective at high altitudes. Ground mobility is poor because of difficult mountainous and jungle terrain, and these countries have few brown-water riverine patrol boats.
- *Logistic Weaknesses.* The Peruvian and Colombian armed forces are equipped with an odd assortment of weaponry purchased over time from various countries. Maintenance of

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aging equipment is good in Peru and fair to poor in Colombia. Inadequate maintenance, spare parts, and logistics systems inhibit operational readiness.

- *Poor Intelligence.* The failure of multiple intelligence services in both countries, [] to share intelligence and coordinate operations efficiently is a serious problem. Collection, as well as dissemination of intelligence to the field, is generally poor. Ineffective tactical intelligence will continue to keep most counterinsurgency units in a reactive posture rather than allowing them to take the initiative. []

In addition, we believe that financial constraints in Peru and Colombia will limit the security forces' ability to improve substantially their counterinsurgency capabilities through appropriate equipment acquisition. Lima and Bogota have put helicopters at the top of their acquisition priority lists and probably will move to fill that gap in their counterinsurgency capability within the next two years. Nonetheless, the recent history of declining military budgets suggests that any additional improvement in Peruvian and Colombian counterinsurgency programs during this period will more likely come from advances in areas such as planning, command and control, intelligence, logistics and maintenance, and training—not from equipment. []

Outlook

On balance, we believe that security conditions in Peru and Colombia will worsen over the next two years. Even if Lima and Bogota act quickly to acquire needed equipment and move to overcome other counterinsurgency weaknesses, there is considerable startup time required for reorganization, training programs, and the integration of new equipment and personnel into operational units. We believe counterinsurgency improvements in planning, training, and intelligence that is being initiated probably will not begin to result in substantial inroads against the insurgents for at least two years. []

We believe the danger to US citizens and property will grow. In Peru, Sendero's activities—including assassination attempts against foreign businessmen—are increasing, particularly in Lima, and more frequent MRTA bombings pose a particular threat to US facilities. In our opinion, it is increasingly likely that American citizens in Peru will be either deliberately targeted by terrorists or injured incidentally in an attack. In Colombia, Bogota has been the scene of repeated attacks against Colombian nationals but relatively free of terrorist attacks against US personnel over the last year. There is still a high risk of street assassination attempts by guerrillas as well as narcotics traffickers who

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have threatened to kill US personnel. Moreover, guerrilla attacks on major oil facilities have targeted US and other foreign investors with increasing specificity and could eventually threaten US investments in the northeastern oil region.

Over the longer term, worsening security conditions in Peru and Colombia could jeopardize fundamental US policy objectives regarding support for antinarcotics efforts and the institutionalization of democratic rule. In *Peru*, frictions between Garcia and the armed forces could become more frequent as the military grows impatient with the President's authoritarian style and budgetary constraints. Garcia's popularity is still his best defense against a coup, but a failure to move forcefully against the insurgency could, in our opinion, undermine his image as a decisive leader and cause his popularity to erode. Such a development, combined with further deterioration of the economic situation, would greatly increase the odds of a military coup.

In *Colombia*, even a total breakdown of the truce with FARC would not threaten civilian rule, but we believe that increasing violence will have side effects that spill over into other areas of US concern. The need to fight an all-out war against the guerrillas would drain resources—including police personnel and equipment—from Barco's antinarcotics drive and would probably force Bogota to halt raids against FARC-associated cocaine laboratories until government forces could reassert control in the guerrillas' strongholds. Such an increase of violence, particularly with accelerated guerrilla targeting of economic infrastructure, would also drain the budget and divert government attention from social and economic development goals. Moreover, a rapid escalation of the conflict with FARC would likely force Bogota to reduce counterinsurgency efforts against other insurgent groups, substantially raising the risk of attack for US and other foreign developers in Colombia. Over the longer term, rising violence and a freer operational climate for drug traffickers are likely to weaken such key Colombian institutions as the judiciary, already a primary target for intimidation and bribery.

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DISCUSSION

1. The level of leftist inspired, politically motivated violence continues to rise in Colombia and has increased substantially in Peru in the past few years. During that period, rural insurgencies in both countries have gradually expanded their scope of operations, and urban terrorism—particularly in Lima—has risen steadily.^{*} Although by far most of the violence in the region continues to be directed against domestic targets, attacks against foreign personnel and property are rising. Terrorist strikes against US targets—generally against facilities rather than people—have become frequent. At the same time, the capabilities of security forces in Peru and Colombia have improved but have not kept pace with the advances of their leftist adversaries. Both governments have had difficulty responding effectively to the threat and economic problems during the mid-1980s forced cutbacks in military budgets and postponement of necessary equipment acquisitions. ☐

The Scope of Violence in Peru and Colombia

2. In Peru, persistent and growing insurgent violence throughout the country, including increasing terrorism in Lima, has become a major challenge to the government of President Alan Garcia. Of the two major subversive organizations—the Sendero Luminoso (SL) and the Tupac Amaru Revolutionary Movement (MRTA)—the SL is significantly the more dangerous and is likely to remain the most politically destabilizing force within Peru. A tightly knit group of fanatics, the SL—about 4,000 to 5,000 strong—has extended its membership and guerrilla activities nationwide since 1980, despite the counterinsurgency efforts of two successive administrations. Since Sendero began armed operations in 1980, police estimates and press reports indicate that insurgent and terrorist attacks—and the resultant government counterinsurgency operations—have accounted for 8,000 deaths. ☐

3. Sendero's recent activity shows a continuing trend of a geographical expansion of its operating area. Although sustaining a high level of action in its Ayacucho home base, the group is making particularly strong advances into Peru's southern departments of

Apurimac, Cuzco, and Puno—which borders Bolivia. In these new areas Sendero is staying true to its strategy of ridding remote areas of the vestige of central government authority. Sendero continues to intimidate and "selectively assassinate" local ruling party and elected officials, policemen, government rural development workers, as well as civilian defense personnel and other peasants they accuse of collaborating with the government. ☐

4. Sendero is increasing operations against soft economic infrastructure and foreign investment targets. Total economic damage from such attacks is difficult to assess, but we believe economic sabotage costs the country millions of dollars annually by disrupting transport, frightening away tourists, discouraging investment—both domestic and foreign—and draining the government budget with counterinsurgency and infrastructure expenditures. Postal, telephone, oil, and water facilities are often damaged, as are rail and road bridges and electric power installations. Small electric power substations and transmission lines are favorite targets, and blackouts have become a regular feature of life in Peru's rural areas and in Lima—raising the costs of production and creating an atmosphere of economic uncertainty. In our view, Sendero leaders are only beginning to appreciate fully the disruptiveness and publicity value of such attacks, and we believe the insurgents will substantially increase economic sabotage over the next two years. ☐

5. Since mid-1983 the SL has established a permanent, highly compartmented terrorist apparatus in Lima and actually carries out more attacks in the city than in any single department of Peru. Since the beginning of 1985, about 300 documented terrorist incidents have occurred in the Lima metropolitan area, giving it one of the highest rates of terrorism in the world. We believe SL use of urban terrorism as a tactic will increase. Such attacks divert government security efforts from the SL's heartland in Ayacucho and fuel a popular sense of instability and insecurity. The group also gains publicity from the highly visible acts of violence and sabotage, especially those directed at the foreign presence in Lima. ☐

6. Part of the steady rise of violence in Lima is also attributable to cyclical activity by the MRTA. In contrast to the SL, the MRTA is almost exclusively

^{*} See annex for a discussion of insurgent groups in these countries. ☐

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urban based and, so far, generally has targeted property rather than people. The MRTA is of concern, however, because its terrorist operations are often directed against foreign, especially US, targets. For the most part, its attacks involve nighttime bombings—often from cars—of US diplomatic, commercial, and cultural facilities in Lima. In late 1986, the group carried out a spate of seven such attacks in a three-day span. So far this year, MRTA has bombed over 40 branches of Peru's largest bank, wounding several people and killing a few who were in the vicinity of the blasts. MRTA's increasing activity will raise the probability of such incidental casualties. ☐

7. In *Colombia*, President Barco faces an insurgency very different from the sporadic violence that plagued the country less than 10 years ago. Rebel leaders emphasize political activity, both in the legitimate arena and through penetration of organized labor and other interest groups. ☐

☐ more guerrillas are active, and the level of political violence is higher than at any time since the civil war of the 1950s. Barco's administration inherited a tenuous truce with the rebels, negotiated by former President Betancur in 1984. Of the four major insurgent groups, however, three have already rejected the truce, and rising levels of guerrilla violence threaten to undermine it completely. ☐

8. By far the most formidable of the rebel factions is the Revolutionary Armed Forces of Colombia (FARC), the armed wing of the Colombian Communist Party—the only guerrilla group still claiming to adhere to the truce. President Barco has made little headway in peace talks with the FARC. Even under the truce, FARC has engaged in some armed operations, kidnappings, extortion, and other antigovernment activities. The legal protection provided by the truce, moreover, has given FARC a respite that it used to recruit and to build its forces, from approximately 1,000 to 1,500 fighters to its current strength of at least 3,500 to 4,500 armed combatants and probably another 5,000 supporters. The cease-fire also enabled FARC to establish a legal political party, which is making inroads into labor organizations and expanding its popular base of support in rural areas. This party, the Patriotic Union, fielded a candidate in the 1986 presidential election and won minority representation in both houses of Congress—unprecedented gains in Latin America for an insurgent political front. The Patriotic Union is already organizing for nationwide mayoral elections—the first ever in Colombia—in March 1988. In our view, its recent public dissociation from FARC is clearly a propaganda move aimed at preserving its political gains and popular credibility if the FARC's truce with the government fails. ☐

Factors Contributing to Violence in Peru, Colombia, and Ecuador

As in much of the Third World, leftist insurgencies in the Andean countries are in part the consequence of intractable demographic, class and ethnic, and socioeconomic problems and inequities. In Peru, and to a lesser extent in Ecuador, central governments have historically neglected the development of remote rural areas that are predominantly populated by Indians with a culture almost totally distinct from that of whites and mestizos in the urban centers. In Colombia, where an elitist political system containing two major parties of similar ideology has dominated government for decades, it is difficult for new political forces to work effectively within the system. ☐

Current economic conditions, particularly in Peru and Ecuador but generally throughout the Andean region, are contributing to a climate conducive for insurgent recruiting and expansion into new areas. Population pressures, rising unemployment and underemployment rates, heavy external debt burdens, and other economic problems have caused some governments to cut funding for social programs and security forces alike. Adverse economic conditions have led to declining living standards, resulting in a growing pool of deprived and disaffected citizens from which insurgents are recruited. The insurgencies may be further helped if sagging economies force governments to impose unpopular economic stabilization policies. ☐

In two countries, Peru and Ecuador, increasing leftist violence has occurred in the context of a transition from unpopular, restrictive military rule to civilian democracy. Although we believe that over time democratic administrations providing legitimate outlets for political grievances will help undercut popular support for insurgents, in the short term the increased political latitude has given committed leftist revolutionaries more operating room to recruit, raise funds, propagandize, build front groups, and infiltrate legitimate labor, education, human rights, and other politically active interest groups. ☐

Within this climate of economic deprivation and political liberalization, state sponsors of leftist revolution have acted—through paramilitary training, funding, weapons support, and political mentoring—as catalysts for insurgencies. Although Peruvian insurgents, specifically SL, have generally remained aloof from external influences, the AVC in Ecuador and several groups in Colombia have sought and benefited from aid from the Soviets, Cubans, Nicaraguans, and Libyans. ☐

9. We judge that the FARC remains the single greatest long-term threat to the authority of the Colombian Government. The Colombian military now credits the FARC with one urban and 33 rural mili-

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tary fronts. The FARC's growth and wealth have been abetted in recent years by financial links forged to Colombia's narcotics traffickers. It is the best armed and most highly organized of the guerrilla forces, with a demonstrated capacity for patience and discipline.

[] FARC guerrillas possess arms as good as or better than the Army's—and in the southeastern jungle, where FARC is strongest, the ratio of government forces to guerrillas is roughly 1 to 1. If the FARC returns to open hostilities, which we view as likely during the next two years, the government's ability to maintain order in urban and rural areas will be severely tested. []

10. Besides coping with the FARC, Barco must also contend with three major guerrilla groups outside the truce: the National Liberation Army (ELN), the 19th of April Movement (M-19), and the People's Liberation Army (EPL). These three groups, which contain an estimated 2,500 armed combatants, are members of a loose alliance known as the National Guerrilla Coordinator (CNG), which was formed in 1985 by the M-19 organization but is apparently now dominated by the ELN. The various CNG leaders still squabble over ideology and tactics, but we believe the coalition has led to some better coordination of attacks and improved propaganda efforts. []

11. CNG member groups operate throughout Colombia. Over the past year, ELN has become increasingly active, abandoning its former isolation to take a leadership role in the alliance. The M-19 has apparently diminished in strength with losses of top leaders over the past year, especially in Bogota, but it continues recruitment efforts and is attempting to expand into northern Colombia. EPL has historically played a minor role in the insurgency, but recent reporting suggests that the group may be expanding. The members of the CNG do not coordinate operations systematically, but CNG guerrillas apparently use the alliance as a clearinghouse to facilitate training, information sharing, and probably arms acquisition and contact with foreign sponsors. []

12. The insurgency has become increasingly expensive for Bogota during the past year. Under the rubric of the CNG, ELN guerrillas are concentrating more attacks against the economic infrastructure. They have struck the nation's major oil pipeline repeatedly since its completion in March 1986, progressing from minor damage to destruction of segments of pipeline, control panels, and a pumping station. Total damage is estimated at more than \$50 million. ELN and the other major insurgent groups make frequent extortion demands on Colombian and foreign oil developers. Guer-

rilla strikes at electrical pylons and transmission substations are frequent, and the rebels inflict substantial damage on commercial activity by employing robbery, kidnaping, and extortion against local banks and businesses. Guerrilla disruption of ranching and farming activity has also increased and is likely to impose greater costs on the economy in terms of capital damage, production losses, and rising protection costs. []

Variables Affecting the Level of Violence

Foreign Support

13. The Soviets, Cubans, Nicaraguans, and Libyans have all contributed some support in recent years to radical leftists in the region. Such aid ranges from Soviet propaganda support for most of the groups to Cuba's provision of guidance, arms, funds, and training. In our judgment, however, foreign support has not played a decisive role in the current successes of insurgents in Peru and Colombia, and the most powerful groups—SL in Peru and Colombia's FARC and ELN—do not require external support to maintain their current levels of operation. []

Soviet Involvement

14. We have no evidence of direct Soviet support to subversive groups in Colombia, Peru, and Ecuador. We believe Moscow probably maintains limited contact with the insurgents when possible through intermediaries such as local Communist parties—particularly with the FARC—or international front organizations. Such contact may provide the Soviets with a measure of influence. Moreover, the USSR and Cuba generally agree on a long-term strategy of unifying insurgent groups in preparation for opportune revolutionary conditions. It also seems likely that the Soviets channel some aid to Colombian groups through the Cubans, so as to conceal their own role. []

Cuba's Role

15. Castro has a relationship with all the major Colombian guerrilla groups, particularly with the ELN and the M-19. Castro played an important role in the founding of the ELN in 1963. More recently, in 1985 the Cuban leader helped forge the CNG, a loose coalition of the ELN, EPL, and other groups that was initially spearheaded by the M-19. Cuba late last year reportedly received M-19's leader, Carlos Pizarro Leongomez, as an honored guest and hosted a summit meeting for the CNG rebel alliance in early January, presumably for a 1987 strategy session. Although the

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Insurgency and Counterinsurgency in Ecuador

In Ecuador, the only significant subversive group—Alfaro Vive, Carajo (AVC)—first surfaced in Quito in 1983 as an urban terrorist organization composed largely of students. The group's initial actions in 1983-84 generally involved criminal activities, including a string of bank robberies, to obtain money, arms, and other supplies. The AVC threat became more serious when the group staged a relatively limited attack against a military arms storage facility in mid-1985 and absconded with several hundred weapons. The group also gained notoriety by kidnaping a prominent Guayaquil banker in 1985. By early 1986, Alfaro Vive probably had grown to some 300 activists and was only on the verge of becoming a formidable subversive organization. []

Much of the AVC's early success was attributable to foreign support. From the beginning, the AVC and Colombia's M-19 had a close relationship that extended to operational support and military training. AVC members reportedly trained in guerrilla warfare and political indoctrination at M-19 camps in Colombia. M-19 instructors have also gone to Ecuador to provide training, and M-19 guerrillas have participated in joint operations with the AVC. Moreover, the two groups still cooperate and fight together in the America Battalion. []

During the early years, individual AVC members also received some limited training in Nicaragua and Libya and probably are still in contact with people in both countries. Nicaragua still permits Alfaro Vive to maintain a small unit in Managua dedicated to making contact with and soliciting aid from international terrorist groups and foreign governments. The leaders of the unit have contacted and received promises of assistance from the Vietnamese, Syrians, and Cubans, [] but we have no indication that any aid has been received. []

When conservative, pro-US Ecuadorean President Febres Cordero came to power in 1984, he faced an incipient, poorly organized insurgency rather than a large, well-entrenched guerrilla adversary such as those found in Peru and Colombia. With full political backing from the strongly anti-Communist Ecuadorean security forces, Febres Cordero almost immediately

adopted a "get-tough" policy against the AVC. He reorganized his police forces—initially inexperienced and lacking in resources—and placed one of his closest civilian advisers in charge of the national police with full counterterrorism responsibilities. He secured training and assistance from the United States and other governments. Most important, Febres Cordero fully supported his counterterrorist units by raising their morale and protecting them from attacks by opposition political parties. []

As a result, an AVC insurgency that was growing during 1983-85, has been stalled. Benefiting from the US counterterrorist training, the security forces penetrated and largely undermined the terrorist organization last year. We believe that the AVC now has 150 to 200 members at most and is in a state of disarray from which it is unlikely to recover soon. Most of Alfaro Vive's top leaders are in prison or have been killed during the past year, and the group reportedly is experiencing an internal leadership crisis. In our view, although some active cells are still capable of staging limited operations, the AVC now consists largely of isolated cells working independently and haphazardly. []

Febres Cordero is continuing his efforts to bolster Ecuadorean security force capabilities to forestall any rebound of the AVC. The armed forces—which did not play a major role in the fight against AVC—have requested US assistance to help overcome their counterinsurgency weaknesses, and the military is implementing a 10-year plan to organize, train, and equip five special units—called antisubversion suppression groups. Drawn from Army, Air Force, and Marine elements, the units will include detachments for psychological operations, medical, and civic action, as well as a special forces battalion and an air wing with helicopters. Although earthquake-related budget constraints probably will force the government to slip the timetable for forming some of the units, the formation of a special operations group for urban areas is under way. In addition, Febres Cordero has ordered the police to continue to work closely with US training teams to overcome shortcomings in crisis management, intelligence gathering and exploitation, and hostage negotiation. []

CNG is still in its infancy, Castro probably envisions CNG rebel unity similar to that of El Salvador's Farabundo Marti National Liberation Front (FMLN) or Nicaragua's pre-1979 FSLN. []

16. In the wake of M-19's assault on the Palace of Justice, which Castro reportedly condemned as ill considered and unproductive, Havana may have

shifted some of its support away from the M-19 to the more doctrinaire, and recently more active, ELN. With the ELN in control, we expect the CNG to become more explicitly anti-US in focus. []

17. Cuba has no known ties to Peru's SL. Havana did provide training in the 1960s and 1970s to Peruvian radicals who later formed the Lima-based MRTA.

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The Threat to US Citizens

In 1986 Latin America ranked second in the world—outplaced only by the Middle East—in the number of terrorist attacks against foreign targets. Such attacks have risen dramatically in the past few years, and the majority have been directed at US official and business facilities in Peru and Colombia. Although most attacks so far have been against property rather than people, we believe the hazards for US citizens in those countries will remain high, particularly as US personnel are identified with host-country counterterrorism and antinarcotics efforts. In Ecuador, the risk has declined with the sinking fortunes of the Alfaro Vive terrorist group, but isolated attacks may still occur. []

Peru. Anti-US terrorism in Peru increased from 12 incidents in 1985 to some 30 attacks in 1986, an alltime high. Many of these incidents—mostly low-level bombings that caused little damage—have been directed against US financial institutions. The US Ambassador's residence has been a target several times in recent years, but no other US residence has been attacked. So far, no US citizen has been injured or killed in Lima, and, to our knowledge, none has been the target of a deliberate personal attack by terrorists. []

Nonetheless, Peruvian authorities have officially admitted their inability to provide adequate protection to the diplomatic missions in Lima, and we believe it is increasingly likely that American citizens will be deliberately targeted by terrorists or be incidental victims in an insurgent bombing or strafing action. According to the US Embassy, about 9,000 Americans reside in Lima, including approximately 400 US Government personnel and their dependents. Moreover, an estimated 200 to 250 American tourists are likely to visit Lima on any day of the year. Both SL and MRTA actively target sites in neighborhoods where Americans live and places where tourists congregate. []

In the countryside, the situation may be as dangerous as in Lima. Additional security has been provided for the tourist train from Cuzco to Machupicchu that was bombed in mid-1986, killing two Americans among others, but the US defense attache in Lima remains concerned about safety on the rail line because of the

difficulties involved in protecting the track that runs through precipices and gorges in the Urubamba River Valley. Areas designated by the Peruvian Government as emergency zones because of insurgent activities and narcotics-related violence are also highly dangerous. []

Colombia. Anti-US terrorist incidents in Colombia rose by nearly 70 percent from 1985 to 1986—from 21 to approximately 35—making it the highest number of anti-US terrorist incidents in the world. Some 90 percent of these attacks, however, were harassment bombings directed at US business interests, particularly in the petroleum industry. Colombia has been ranked by Washington as a high-risk area for US personnel since 1984 because of threats from narcotics traffickers, and travel restrictions outside of major cities are in force. We believe the threat to US citizens in Colombia will remain high from both drug traffickers and insurgents. This judgment is based in part on many reports of specific threats and plans to attack US personnel and facilities. []

Enhanced security for official US installations appears to have prompted a shift in insurgent attacks to softer targets such as US-related businesses, schools, and binational cultural centers that usually produce few casualties but attract the desired media attention. In Latin America, kidnappings—not always politically motivated—have occurred most frequently in Colombia, and, because US and other foreign companies have a known practice of paying ransom, their representatives will probably continue to be victims. Moreover, we cannot rule out the possibility of another massive terrorist assault, such as the Palace of Justice takeover by M-19 in 1985, and high-profile US personnel are likely targets in any future hostage taking. []

Ecuador. The terrorist threat to US interests in Ecuador is low and will most likely remain so. Nevertheless, we cannot rule out that the possibility that the remnants of Alfaro Vive will try to regain a modicum of lost prestige by attempting to kidnap or assassinate a US citizen. []

If Cuba's ties to MRTA still exist, we believe they probably consist of occasional contacts rather than ongoing material aid or active collaboration. []

Role of Nicaragua

18. Nicaragua, which serves as a symbol of a successful Marxist revolution to Latin American insurgent groups, has provided assistance to guerrilla groups in

Colombia and to the AVC in Ecuador and has facilitated contacts between Latin American leftists, including meetings between Central and South American subversives. Members of the M-19-led America Battalion, for example, have met with representatives of El Salvador's FMLN in Managua to discuss cooperation. Militants from Ecuador's AVC reportedly have received military training in Nicaragua and combat experience from the veteran FMLN, undoubtedly after transiting through Managua. []

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19. []

[] Nicaragua has been the principal source of funds and arms for the beleaguered America Battalion, a coalition of Colombian insurgents and some Ecuadoreans fighting in southwestern Colombia. The America Battalion communication center, manned by M-19 technicians, contained computer and encryption equipment used to coordinate fighting by several Colombian insurgent groups as well as to facilitate communication with Havana and Managua. []

[] Moreover, some of the arms used by the M-19 in its November 1985 takeover of the Bogota Palace of Justice have been traced to Nicaragua. []

Role of Libya

20. Libya provided training to Colombian M-19 guerrillas and Ecuadorean AVC radicals in the 1983-84 period. Although Libya has not been successful in its attempts to direct Latin American subversives' operations against Western interests, recent reporting suggests Libya's interest in the longer term in fomenting terrorism in Latin America has not subsided. We believe that the M-19 and AVC are still maintaining contact with Tripoli, but we have no conclusive evidence of current Libyan material or financial assistance. We suspect that Tripoli continues to have difficulty influencing radicals in the region because of Havana's stronger sway with these groups and reported opposition to Libyan involvement in Latin America, an area Cuba views as its natural sphere of influence. Some financially strapped Andean groups, such as M-19, AVC, and possibly MRTA, probably would accept Libyan funding if offered but, in our opinion, even those groups may be reluctant to become closely tied to Tripoli or dependent on Libyan aid. Regional insurgent leaders undoubtedly are aware of Libya's notoriously erratic record on delivery of promised aid, probably resent the strings that are often attached to funding from Tripoli, and may fear a backlash from Cuba—or a direct countermeasure from the United States—if they did Qadhafi's bidding. []

Regional and National Insurgent Cooperation

Domestic Linkages and Support

21. The only evidence of effective domestic insurgent cooperation has been in Colombia, where the CNG facilitates larger and more coordinated attacks than were previously possible, but we believe leadership rivalries and ideological disputes are likely to hinder an effective functional division of responsibility among the participating groups. []

22. If the truce breaks down, the FARC is likely, in our judgment, to try to assert its leadership over other Colombian insurgent groups. Talks between CNG leaders and the FARC have already produced limited political cooperation, particularly in the labor sphere, and may lead to further operational coordination among the four major insurgent groups. An effective united guerrilla front, however, is unlikely to emerge within the next two years. []

23. In Peru, we have no evidence that SL and the MRTA cooperate in any way. SL's extreme ethnocentricity and radical, rural-based Maoism undergird its scorn of other Peruvian leftist groups. We believe the coincidence of their actions at times reflects both groups' predilection for keying their attacks to major public events in Peru. The MRTA, however, does seek to unite all "progressive" forces within Peru into one revolutionary organization. In late 1986 the MRTA merged with the Revolutionary Movement of the Left (MIR), a tiny leftist organization, and we cannot rule out further MRTA cooperation with other small, radical Peruvian groups. []

24. The dismal social and economic conditions that most of the Peruvian and Colombian people endure will continue to provide fertile conditions for insurgent efforts to attract adherents and build local bases of support. In Peru, evidence strongly suggests that the SL attracts most of its followers in rural areas neglected by the Federal Government and in the vast squatter slums surrounding Lima and that most recruits are young, Quechua-speaking Indians. We believe that the ample pool of potential recruits is sufficient to ensure a gradual growth of SL's ranks. Nonetheless, the group's tight security provisions, brutality, and unwillingness to form alliances with either international sponsors or other Peruvian leftist groups probably will alienate many potential sympathizers and, in our view, will restrict the rate of SL's growth. We believe that the MRTA also may come to pose a more threatening challenge to the Garcia government than it now does. The MRTA ideology and image are more likely to appeal to disaffected members of the urban middle class than the rural-based, ethnocentric SL. If an economic slump imposes new hardships over the next two years and the legitimate leftist opposition to the government continues to temporize, the MRTA might be a major beneficiary—successfully recruiting radicals who opt to give up legal political activity for the armed revolution. []

25. Colombian insurgents have conducted determined campaigns to build popular support for their actions, with varying degrees of success. Despite the FARC's effective control over large areas of rural

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Colombia, the guerrilla-backed Patriotic Union relied on armed intimidation to muster votes for last year's national elections, and reportedly used similar tactics to organize a demonstration against drug control efforts in the southeast. All major insurgent groups, however, have support networks in the large cities, and some guerrillas have apparently gained a foothold within legitimate organizations in Bogota. The ELN reportedly infiltrated the voter registration system in the capital last year, and M-19 members in Bogota devote much of their energy to urban housing efforts.

26. Penetration of organized labor has recently become an important objective for Colombian insurgents. Both FARC and the CNG publicly support a Communist-backed labor union—formed in late 1986—which has mounted several strikes this year against government and private enterprises. Guerrilla influence is strong in some agricultural labor syndicates, notably among flower and banana growers. The oil sector, however, is particularly vulnerable to infiltration and agitation.

ELN guerrillas have extensively penetrated the ranks of oil workers, and have probably used inside knowledge to maximize the impact of their attacks on the nation's major oil pipeline and other oil facilities. The state-owned oil company recently charged a guerrilla-infiltrated union with involvement in a wave of terrorist attacks—which coincided with negotiations for a new labor agreement. President Barco has so far failed to counter leftist labor activism, and, in the absence of an aggressive domestic labor strategy, we believe insurgent influence over organized labor—particularly in the oil industry—is likely to grow.

Transnational Linkages

27. The only recent major effort at transnational insurgent cooperation—the Colombia-based America Battalion formed by the CNG—has remained a guerrilla force but is now composed almost entirely of Colombian M-19 members. Although a contingent of Ecuadorean AVC members remains with the Battalion, most foreign guerrillas have been killed or have deserted. Battalion participants from Peru and Ecuador probably were primarily from urban areas, and were ill prepared for rural guerrilla warfare. We believe that the Battalion will continue to evolve through attrition into an M-19 guerrilla unit, although it is likely that armed actions will continue to be attributed to the Battalion for guerrilla propaganda purposes.

28. We do not expect SL to establish working relationships with other leftist groups or insurgent organizations elsewhere in Latin America because of its extreme ethnocentricity. Nonetheless, we see some potential for geographic spillover, particularly in Bolivia where SL may increasingly use its territory for safehaven, rest, and recuperation.

Linkages to Drug Traffickers

29. Colombia's FARC is the only major insurgent group in either Colombia or Peru whose ties to drug traffickers are well documented. It has regularly taxed and provided protection for traffickers and occasionally engages in drug cultivation, merchandising, and production. The FARC probably is using drug money to obtain weapons. FARC ambushes and sniper fire have made the police reluctant to mount operations unless they are supported by the military:

— Drug enforcement efforts have led to a series of skirmishes between government troops and guerrillas. Several National Police officers were killed last year after they walked into a FARC ambush while returning from a raid on a nearby cocaine laboratory.

— Guerrilla base camps reportedly have been located at some laboratory sites. Colombian authorities point to the capture of FARC weapons, uniforms, and documents at other sites as further evidence that insurgents are protecting or participating in trafficking operations.

30. We have no evidence that any other groups have such systematic ties, although the geographic proximity of insurgent and trafficker operating areas undoubtedly results in contact and some ad hoc cooperation. In Colombia, all of the other major insurgent groups—M-19, ELN, and EPL—reportedly cooperate sporadically with drug traffickers. Moreover, M-19 has contracted with traffickers to kill proponents of drug control programs, including US Embassy personnel.

31. In Peru, available evidence suggests that cooperation between insurgents and traffickers is limited and episodic, generally restricted to the Upper Huallaga Valley where both groups operate. Limited reporting, usually press accounts, suggests that the SL occasionally provides security for traffickers. Just as frequently, however, we receive reports that some of the rural

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violence in Peru comes from armed encounters between guerrillas and traffickers vying for control of a region. Sendero has been making some headway in recruiting sympathizers in the narcotics producing areas by helping the local townspeople—whose livelihood depends on cocaine cultivation—resist government antinarcotics efforts. []

Governments' Abilities To Confront the Growing Threat

32. Despite renewed efforts to improve capabilities, security forces in Peru and Colombia have been unable to curtail increasing terrorism and insurgent violence. We are not optimistic that Peruvian and Colombian Government security forces, even with outside assistance, can keep pace with growing violence and guerrilla strength over the next two years given the formidable nature of the insurgencies, financial constraints, and history of inadequate counterinsurgency planning in both countries. Only in Ecuador, where police and military units last year rolled back initial AVC gains, is the government likely to contain violence at, or below, its present level. []

Peru

The Political Context

33. When President Garcia assumed office in July 1985, he apparently hoped that he could stem leftist violence by initiating a dialogue with the insurgents and by dedicating his government to social action. Under a "plan for reconciliation" publicly articulated by Garcia, he outlined three major initiatives:

- A peace commission.
- An agricultural development program.
- A "moralization" campaign to eliminate corruption within the security forces.

The first and third aspects of Garcia's strategy were designed to solve the short-term problems—such as human rights abuses—he believed were fueling the insurgency, while his proposed agricultural program was aimed at elimination of rural poverty, the root cause of discontent. []

34. The first two elements of Garcia's plan quickly ran into serious problems. SL flatly rejected any dialogue with the government and, characterizing Garcia as its archenemy, continued acts of violence throughout the country and began assassinating officials of Garcia's ruling party with alarming frequency. Garcia's civic action and agricultural development

programs have not fared much better, in our opinion, because neither Garcia's party nor the government in general has an effective administrative apparatus in the war-torn southern departments. In addition, peasant farmers are suspicious of government programs because of the failure of previous Peruvian administrations to sustain any commitments to rural development. Moreover, the insurgents have included the rural assistance agencies among their targets. []

35. Garcia's commitment to improve Peru's human rights situation and his desire to assert civilian and his personal authority over the military led him to focus his energies on the so-called moralization campaign. Aiming accusations of abuse of power primarily at the Peruvian police forces, notorious for corruption and inefficiency, Garcia purged over 2,000 policemen, including about 200 high-ranking officers. Garcia also removed three Army generals for human rights abuses, including a field commander who was considered one of Peru's best counterinsurgency specialists. []

[] Clearly concerned with establishing the tenet of civilian ascendancy, Garcia also cut planned military purchases, required military chiefs to swear allegiance to him in an unprecedented ceremony, and involved himself in institutional matters such as promotions and assignments. []

36. In our view, Garcia's antagonistic posture toward the security forces hurt military and police morale and has hindered improvement of the counterinsurgency effort. The high command continues to chafe at Garcia's ad hoc approach to combating violence. []

[]

37. Garcia still has not put into place a comprehensive counterinsurgency program, but he has recently begun to give personal attention and top priority status to countering Peru's rising violence. His increasingly hardline rhetoric, authorization in February 1987 of a police raid against three Lima universities suspected of harboring guerrillas, and submission of tough new laws on terrorism—which the Peruvian Congress ratified in March—all suggest that Garcia is toughening his

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approach in dealing with subversives. In early February Garcia held an emergency meeting on terrorism with his security chiefs in which he demanded an improved intelligence effort against the guerrillas and told the security forces to develop intelligence operations to penetrate the guerrilla groups—something they have not accomplished—and to design psychological operations to create dissension within subversive ranks. He also ordered the establishment of a unified intelligence command under the direction of the Vice Minister of Interior—one of Garcia's closest civilian advisers. []

38. Despite these recent initiatives, we doubt that Garcia will substantially ease legal and political constraints on the armed forces and give the military a much freer rein to prosecute the war. Peruvian law stipulates, for example, that internal security is the responsibility of the national police, and the armed forces can become involved only in the event that the president invokes a state of emergency or siege. The government currently has states of emergency in three areas—the Ayacucho heartland of Sendero Luminoso, the narcotics producing region in north central Peru, and the Lima-Callao urban complex. Although the guerrillas are expanding rapidly into new departments, Garcia has not put these areas under a state of emergency that would give the local military commanders legal authority to become fully involved in the counterinsurgency effort. Charges of human rights abuses by the military continue in Peru, and Garcia, who has vowed to end such abuses, probably fears that a tougher counterinsurgency strategy and expanded military involvement in remote areas could portend a substantial increase in abuses. From Garcia's perspective, a dramatic upswing in human rights abuses or even a single event—such as the massacre of prisoners during prison riots in June 1986—could undermine his political credibility, damage the counterinsurgency effort over the longer term, and damage foreign relations with the West. []

39. The success of counterinsurgency and counterterrorism programs in Peru will also depend in part on more effective judicial institutions. Corruption, intimidation of judges, widespread fear, cumbersome prosecution procedures, and serious budgetary constraints have made it difficult for courts to adjudicate the counterterrorism laws already on the books. Laws recently passed in Peru are designed to reduce judicial barriers to effective prosecution and incarceration of terrorists, including the possibility of the reduction of sentences for terrorists who cooperate with the authorities by providing information. []

Security Force Capabilities and Weaknesses

40. []

Although it is the largest and best equipped military on the west coast of South America, the Peruvian armed forces are structured to defend the country against simultaneous, conventional attacks from traditional rivals Chile and Ecuador. One-third of the Army, for example, is deployed in the far south near the Chilean border and approximately another third is stationed on the northern border adjoining Ecuador, with which Peru engaged in brief border clashes in 1981. Almost all of the remainder of the forces are deployed in the Lima area, leaving relatively few troops for prosecuting the counterinsurgency in Peru's central and southern highlands. At present, probably less than 10 percent of armed forces manpower is committed to counterinsurgency operations. Thus, []

[] a large share of the counterterrorist burden still falls on Peru's three national police forces. []

41. In view of the primacy of its external threat mandate, the Peruvian military has not yet attained the degree of professionalism as a counterinsurgency force as have those units trained strictly as conventional forces. Overall, Peru's defense and police forces suffer from a number of serious weaknesses that will hamper their ability to make significant advances against the insurgents, particularly SL, over the next two years:

— *Tactical Mobility.* Peruvian counterinsurgency efforts have been particularly hampered by a lack of helicopters that are effective at high elevations, either for troop transport, aerial reconnaissance, or rapid reaction operations. Soviet-made MI-8 helicopters—the mainstay of Army aviation—can transport 24 troops at sea level but that capability drops to only six soldiers at 4,000 meters in areas where Sendero frequently operates. Moreover, there are generally only a few helicopters available in the insurgency-plagued highlands at any one time. The Army and Air Force continue to place top priority on acquisition of helicopters, and the government is discussing a trade with Moscow of some aging MI-8s for new high-altitude capable MI-17s.

— *Logistic Weaknesses.* The Army and Air Force are equipped with a heterogeneous assortment of materiel purchased from a number of different

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countries. Overall, Peruvian maintenance of the equipment is good, but frequent delays in acquiring spare parts, particularly from the Soviet Union, constantly lowers operational readiness. Soviet-made equipment, which now comprises about 70 percent of the Army's inventory and over half of the Air Force's, suffers from a higher rate of downtime than materiel from other suppliers because of the spare parts shortages and Soviet foot-dragging on training Peruvian personnel on depot-level maintenance of some of the weapons systems. The recent acquisition of Soviet AN-32 aircraft will improve the armed forces' high-altitude transport capability, but reflects Lima's continuing reliance on Moscow for major purchases, principally because of attractive base prices and financing.

- *Intelligence Gaps.* Because of the armed forces' preoccupation with the external threat posed by Ecuador and Chile, there is a notable lack of intelligence on the insurgents. []

[] Security force attempts to penetrate the group have been unsuccessful because of Sendero's tightly controlled cell structure and obvious cultural and ethnic differences between the guerrillas and military and police personnel. Adding to the security forces' intelligence woes is the multiplicity of organizations involved in the effort, distrust, and interservice rivalry among them. A lack of integration and coordination at any level among the seven major police and military service intelligence organizations is seriously degrading, in our view, the ability of the security forces to prevent or react to terrorist actions.

- *Leadership and Personnel Deficiencies.* Officer and troop performance is spotty. Many officers and NCO's are not well trained in counterinsurgency tactics and adopt a reactive static defense posture rather than employing aggressive small-unit patrolling. Although more and more field officers are using proven counterinsurgency tactics such as ambushes and night operations, others continue to keep troops virtually garrison bound or mount ineffective large sweeps that probably net few guerrilla militants. Officers, possessing few resources with which to work, apparently pursue little civic action and mount few psychological operations against the guerrillas. A growing shortage of skilled personnel is another major problem, and the training of pilots

and technical specialists to maintain an increasingly complex arsenal has not kept pace with equipment acquisition. The low quality of conscripts—many lack even elementary education—and low retention rates because of uncompetitive salaries will make expanding the number of skilled personnel exceedingly difficult. []

- 42. We believe that budget constraints and declining foreign reserves will disincline Garcia to approve any major purchases that are not barter arrangements or do not have attractive, concessionary financing. For economic reasons, Garcia has reduced military expenditures from \$825 million in 1983 to only \$400 million in 1986. Garcia reduced an order for 26 French Mirage 2000 interceptors to 12 and, because of financing problems, canceled a countertrade deal for 10 US-made helicopters intended for counterinsurgency use. He has purchased assault rifles from North Korea at a

Difficult Military Geography

The geography and climate in all three countries favor insurgents, hinder counterinsurgency objectives, provide excellent cover and concealment, and, at the same time complicate military mobility and tax equipment capabilities. In *Peru*, towering mountains reaching 6,000 meters are interspersed with plateaus at 3,000 to 4,000 meters. Airborne operations are thus confined to scattered basins and valleys, and slopes and gorges often preclude cross-country movement by tracked or wheeled vehicles. Radio communication is usually ineffective in the mountains because of limited range. Frequent fogs, persistent cloud cover, and heavy rainfall frequently prevent aerial reconnaissance. The high elevations often cause mountain sickness among troops, who may require a month to become fully acclimated. The steep eastern slopes of the Peruvian Andes are covered with mountain rain forest that provides excellent cover for camps, training areas, and ambush sites. In *Colombia*, the geographic spread of the insurgent forces over mountainous terrain as well as extensive jungle regions strains the military's resources. Moreover, many large cocaine laboratories are located in the southeastern jungle in areas controlled by the FARC. The security forces are hard pressed to defend many critical political and economic targets—including the oft-attacked Cano Limon oil pipeline along the Venezuelan border. *Ecuador's* AVC has operated mostly in urban areas, but America Battalion attacks on remote Army and police outposts in the jungle along the Colombian border demonstrate the difficulty of rapid response by the military to such regions. Finally, in all three countries, tropical conditions of heavy rainfall and high humidity quicken corrosion of heavy equipment and webgear alike. []

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bargain rate for his poorly armed national police units in rural areas. Peru also took delivery of the first five of 15 AN-32 light transport aircraft from Moscow in a deal that has Peru bartering 15 aging AN-26 transports and \$75 million in exchange. []

Colombia

The Political Context

43. *Colombian* President Barco, who took office last August, was initially slow in formulating a policy against subversion but is now reacting more fully to the threat posed by insurgent violence. Barco had little choice initially but to base his strategy on preserving the truce with FARC. Rebel leaders gained a measure of legitimacy and popular support by establishing the Patriotic Union, and have consistently denied responsibility for attacks by guerrillas in remote rural areas. Public support was strong for former President Betancur's dialogue with the rebels, but attitudes have hardened during the three-year tenure of the truce, and only FARC—of the major insurgent groups—still retains a vestige of its image as an organization that should eventually be reintegrated into society. In contrast, the members of the CNG, which remain outside the government's peace process, are viewed as recalcitrant criminal groups, undeserving of public sympathy. []

44. Erosion of support for the insurgents was dramatically accelerated by M-19's November 1985 takeover of the Bogota Palace of Justice, which triggered a sustained and continuing government response to attacks by CNG insurgents. Sympathy for FARC has also waned as peace talks have produced few results and truce violations have become more blatant. Over the past year, the climate of public opinion has hardened against negotiation, and the government now appears to have widespread public support for expanded initiatives against Colombian insurgents. President Barco's electoral campaign last year focused on social and economic concerns, and he continues to stress economic development as the primary means of undercutting support for the insurgency. Even as he continues peace talks with FARC, however, Barco—building on security measures belatedly authorized by the last administration—has begun a drive to improve his counterinsurgent, antidrug, and counterterrorist capabilities. []

45. Although he continues to negotiate with FARC, [] Barco has lost patience with the stalemate and is bracing for a major confrontation with the rebels. He recently demanded demobilization of all FARC military fronts before the scheduled March 1988 elections, when Colombians will

elect mayors by popular vote for the first time. The demand, promptly rejected, brought Barco into a deadlock with FARC. It also spurred a move by the Patriotic Union to protect rebel political gains by publicly dissociating itself from FARC. In our view, mounting tension between the government and the insurgents over the issue of disarmament has raised the odds of a return to full-scale guerrilla war with FARC, perhaps within the next two years. []

46. The fate of the truce also hangs on Bogota's ability to sidestep a major clash with FARC over its involvement in narcotics production, particularly in the southeastern jungle where many large cocaine-processing facilities are located. Patriotic Union leaders have warned President Barco that strikes at FARC-associated drug facilities would end the truce, [] To avoid an on-the-ground confrontation with FARC, Barco has ordered police to conduct raids on guerrilla-associated cocaine laboratories by air, without coordinated ground assaults. Nonetheless, we believe drug enforcement efforts could provide a flash point for expanded conflict between the government and FARC. []

47. Preservation of the truce with FARC has allowed Barco to direct his counterinsurgent forces against CNG guerrillas openly engaging in armed actions. Barco has the armed forces fully involved in operations against CNG, particularly in the northeastern oil region and in rural southwestern Colombia. Although military forces have delivered several setbacks to the M-19 and to the America Battalion, both groups remain viable. The security forces have not succeeded in halting attacks on oil facilities by the ELN. []

48. Barco has also used the truce to gain time to strengthen his security forces and to develop a more coordinated national security strategy. A new defense plan was initiated in January 1987, the major elements of which include a redeployment of troops into the areas of highest insurgent concentration and the eventual creation of a rapid-reaction counterinsurgent task force composed of several battalions with assigned helicopters. Barco has apparently authorized selective reprisals against FARC units that violate the cease-fire, but, as long as its truce with the government remains in effect, Barco will have to use reactive, ad hoc tactics against this group and the drug traffickers associated with it. Despite this constraint, the new defense plan represents a serious effort to confront the growing insurgency. []

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49. President Barco has also approved an overall security force expansion, including the creation of several new military units. Bogota may eventually try to expand the Army by as much as two-thirds, to a strength of 100,000, according to the US Embassy. Barco reportedly recently approved a \$156 million emergency supplementary defense appropriation for this year—probably to outfit new units he has approved and to purchase some of the 50 new helicopters the military believes it must acquire over the next five years. We believe that Barco's new defense plan and emergency spending bill demonstrate his growing political will to confront the insurgents and drug traffickers, but, in our view, it will take substantial spending increases over several years to overcome chronic security force deficiencies. ☐

Security Force Capabilities and Weaknesses

50. Colombian military leaders are intent on regaining the initiative against the insurgents, but will face formidable obstacles as they attempt to do so. Despite their professionalism and sense of commitment, the security forces' readiness and capabilities have been eroded by longstanding funding limitations and lack of clear guidance. Moreover, competing priorities and manifold combat and support deficiencies have hindered effective cooperation against insurgents and drug traffickers, whose symbiotic relationship in Colombia has blurred the traditional distinction between the missions of the military—charged with national defense and counterinsurgency—and the police responsible for narcotics control. ☐

51. The 60,000-man Army has primary responsibility for the counterinsurgency effort. After more than three decades of guerrilla violence, it has honed its internal security skills at the cost of conventional capabilities. The 6,200-man Air Force is increasingly asked to provide key support for Bogota's counterinsurgency and antinarcotics efforts. The Navy—with a strength of almost 10,000—is little used in an internal security role, although its 5,700-man Marine Corps is well trained and effective in limited counterinsurgency operations. The 60,000-man National Police, the civilian wing of the uniformed forces, was designated the primary drug enforcement agency in 1980. Its antidrug mission has become increasingly important, and President Barco recently consolidated all police antinarcotics personnel into a new Directorate of Anti-narcotics, including a 1,500-man National Command for Narcotics Control force—which conducts joint drug interdiction operations with the military in insurgent controlled areas—elements of a 6,000-man Intelligence Division, and a well-equipped and -maintained air

wing for interdiction and eradication efforts. A third major element in Bogota's security forces is the civilian Administrative Department of Security (DAS), an FBI-type organization of about 3,500, which shares with the armed forces the responsibility for domestic intelligence collection and exploitation and probably will be called on to play a greater role in the future. ☐

52. The Colombian security forces' overriding weakness is inadequate funding—historically low and recently slashed. Facing serious economic problems and in hopes that the truce with major guerrilla groups would succeed, the previous administration slashed the defense budget from \$885 million in 1983 to \$378 million in 1986. Despite substantial improvement in the economy last year because of high coffee prices, the 1987 armed forces budget, projected at about \$404 million, represents a slight increase but remains substantially lower than spending allocations during the mid-1980s. Such draconian cuts, of course, not only prohibit the purchase of needed large ticket equipment but also seriously crimp the day-to-day operational readiness and effectiveness of the forces. These longstanding budgetary constraints, moreover, have left the Colombian military with antiquated equipment and a shortage of personnel. Overall, the Colombian Armed Forces would require a sustained government commitment for several years to overcome a number of serious weaknesses:

- *Shortage of Personnel and Obsolescent Equipment.* The military has demonstrated that it can maintain security in Colombia's urban areas, but it does not have sufficient troops to deploy to rural areas to stem insurgent advances at the same time. Colombian officers believe that they would need an additional 15,000 troops to contain the insurgency at its current strength if the government's truce with FARC breaks down. A shortage of technically skilled people—enlisted men are frequently illiterate—is hampering maintenance of equipment, some of which is World War II vintage and in poor condition.
- *Logistic and Mobility Problems.* All three military services lack a sustained mobilization capability because of the paucity of technical skills, weak supply systems and insufficient stocks, poor acquisition planning, and limited maintenance. Although most of the Colombian inventory is US-manufactured, the military is continually short of spare parts because of financial constraints and a lack of data—specifically demand histories—necessary to determine current and future needs.

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The Air Force has been hardest hit, with operational status of its helicopter fleet generally at about 30 percent. At least 10 helicopters have been cannibalized in recent years for spare parts. The lack of operational helicopters is the key factor hampering the military's tactical mobility, and Bogota wants to acquire at least 50 new helicopters—both transport and assault—during the next five years. Without substantial upgrades in the logistic and maintenance infrastructures, however, improvements in air mobile capabilities will be short lived.

- *Intelligence Gathering and Exploitation.* The security forces have improved their use of intelligence, particularly in urban areas, but as in Peru poor tactical intelligence has hindered effective military action against rural insurgents. The Colombian intelligence effort also suffers from inadequate collection, inefficient coordination among the multiple collection and analysis agencies, and slow, ineffective dissemination to the field end user.
- *Corruption.* The actual extent of corruption in the armed forces is unknown, but reports of corruption at field level and above—especially in major drug trafficking areas—are common, generating distrust both within and among security services. At least FARC, and possibly other guerrilla groups, has systematically bribed or intimidated local government and military officials in isolated areas. Intimidation and corruption undoubtedly partly explain an apparent lack of leadership initiative in the field that has had a negative impact on military performance.

Outlook

53. Over the next two years, we believe well-entrenched insurgent groups—particularly SL in Peru and the FARC and ELN in Colombia—will continue to grow gradually in numbers and pose an increasing threat to personal security and political stability. In our opinion, poor social and economic conditions in many urban slums and remote rural areas in both Peru and Colombia, as well as the traditional political marginalization of the countryside, will ensure a supply of recruits that will allow the guerrillas to sustain their growth of recent years.

54. We expect recent trends of insurgent activity in both countries to continue. In Peru, we believe SL will have substantial success moving into new departments in the south—even farther from Lima than Sendero's

home base in Ayacucho. Garcia will probably remain resistant to putting more regions under emergency status that grants local military commanders extraordinary legal and administrative powers. In our view, Garcia remains concerned that broader powers for the military and a tougher counterinsurgency effort could result in an upswing in human rights abuses that would undermine his political credibility on the issue. Widespread accusations might frustrate attainment of his foreign policy objectives as well, damaging Peru's relations with the West and his personal drive for Third World leadership. Garcia also apparently believes that placing extensive areas of Peru under states of emergency constitutes an admission that security conditions have deteriorated during his administration. Moreover, we believe that Garcia will resist broadening substantially the areas under state-of-emergency conditions because he fears that such a move would fuel the belief in some military circles that democratic, civilian governments cannot contend effectively with leftist insurgent challenges.

55. Sendero activists, as well as MRTA terrorists, are likely to escalate terrorist attacks in the capital. We believe the majority of SL attacks will continue to be directed at official Peruvian targets, with more assassinations of senior military and ruling party leaders. Like last year, however, the SL probably also will increase attacks against foreigners—a judgment supported by Sendero's recent attempt to kill the Bank of Tokyo's chief executive in Lima and the subsequent death threats against the local manager of Chase Manhattan Bank. Most MRTA attacks probably will continue to be directed at foreign—and particularly US—business interests. The MRTA disavows Sendero's brutal tactics, however, and probably will continue to seek positive political propaganda mileage from its actions rather than the negative publicity associated with SL's far more lethal attacks.

56. In Colombia, we believe the FARC will increasingly flex its growing muscle by carrying out more armed attacks, despite the official truce. At the same time, the rebels will probably keep their Patriotic Union front in Congress and accelerate efforts to build support for mayoral elections next year. The rebels' actions will probably generate substantial political pressure on President Barco to renounce the truce—a move we believe would result in a substantial increase in violence and jeopardize the security forces' ability to maintain order in both urban and rural areas. To forestall a rapid escalation, Barco will probably tolerate a higher level of FARC violence but retaliate against guerrilla units that flagrantly violate

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the truce. He will probably authorize military actions against FARC-associated drug laboratories but stop short at coordinated air and ground strikes that could spark a major clash with the insurgents. Despite a measured government response to violations of the cease-fire, gradual expansion in Bogota's conflict with FARC will probably eventually cause a collapse in the truce, perhaps within the next two years. []

57. CNG member groups will challenge the government individually, although we believe operational unity in the alliance is likely to progress slowly. ELN's growth over the past year probably will enable it to step up attacks over the next two years. The group is likely to continue to favor economic sabotage, concentrating on major oil facilities, particularly the north-eastern pipeline. The extent of the damage suffered by the M-19 in fighting last year is not totally clear, but its past actions—and longstanding ties to Cuba—suggest that it must still be considered a dangerous group. The EPL is also likely to become more active over the next two years. []

58. We believe that the Peruvian and Colombian security forces also will improve their capabilities, although, on balance, their progress is unlikely to match leftist gains over the next two years. An inflow of needed equipment such as helicopters would provide a big boost to the counterinsurgency capabilities of either country. Such large acquisitions generally require many months to complete, however, and often do not provide immediate help because substantial training and outfitting is required—even if the personnel are available—before the equipment is integrated into operational units. Moreover, Lima's and Bogota's ability to make needed force improvements and equipment acquisitions over the next two years will continue to be hindered by financial constraints. Moreover, development of adequate maintenance, logistic, and spare parts infrastructures will remain a critical factor in counterinsurgency capabilities. []

59. We believe that substantial improvements could be made in security force performance, especially if foreign assistance is obtained, by focusing improved training on operations planning, intelligence gathering and exploitation, and small-unit counterinsurgency tactics. Here again, however, there is considerable startup time required for training programs and substantial lag time before newly trained personnel begin to employ their expertise effectively in the field. []

60. From the US perspective, the most immediate consequence of rising violence is the growing danger to US citizens and property. This situation is unlikely to improve in the near future in either Peru or

Colombia, particularly if US government personnel become more involved in antiterrorism training and antidrug efforts in the host countries. We believe that leftist revolutionaries in those two countries increasingly will target US official and affiliated property—and personnel—as a means to heighten the propaganda and psychological impact of their actions and to strike at the foreign "imperialist" presence that they revile. In our view, the danger will grow—especially in Lima where Sendero is increasing its attacks, with notable assassination attempts against foreign businessmen, and the MRTA is likely to continue cyclical bursts of bombings against US targets. We believe it is increasingly likely that American citizens in Peru will be either deliberately targeted by terrorists or injured incidentally in an attack. In Colombia, we judge that there is a high risk of street assassination attempts by guerrillas as well as drug traffickers who have threatened to kill US personnel. Representatives of US oil developers, particularly in northeastern Colombia, are also at risk from attacks by CNG members, especially the ELN. []

61. Over the longer term, we believe that worsening security conditions in Peru and Colombia could jeopardize other US interests in those countries, particularly fundamental US policy objectives regarding the institutionalization of democratic rule. In Peru, frictions between Garcia and the armed forces could become more frequent as the military grows impatient with the President's [] style, budgetary constraints, what it perceives as persistent meddling in its institutional affairs, and insistence on human rights protection for individuals it believes to be guerrillas or insurgent supporters. Garcia's popularity is still his best defense against a coup, but a failure to combat terrorism aggressively could, in our opinion, undermine his image as a decisive leader and cause his popularity to erode. Such a development combined with further deterioration of the economic situation would greatly increase the odds of a military coup. []

62. In Colombia, even a total breakdown of the truce with FARC would not threaten civilian rule, but we believe that increasing violence will have side effects that spill over into other areas of US concern. The need to fight an all-out war against the guerrillas would drain resources—including police personnel and equipment—from Barco's antinarcotics drive and would probably force Bogota to halt raids against FARC-associated cocaine laboratories until government forces could reassert control in the guerrillas' southeastern strongholds. Such an increase of violence,

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particularly with increased guerrilla targeting of economic infrastructure, would also drain the budget and divert government attention from social and economic development goals. Moreover, a rapid escalation of the conflict with FARC would probably force Bogota to abandon counterinsurgency efforts against the CNG, substantially raising the risk of attack for US and other foreign developers in Colombia. Over the longer term, rising violence and a freer operational climate for drug traffickers are likely to weaken government institutions like the police and the judiciary, already primary targets for intimidation and bribery. []

63. Peru's and Colombia's needs for counterinsurgency and antiterrorist assistance may compel them to seek more foreign assistance and, in our opinion, new opportunities may open for the United States to work with regional security forces. The current administration in Colombia has been closely allied to the United States and is likely to remain so. In Peru, President Garcia has begun to request limited US training for his investigative police force, and we believe the Garcia administration is receptive to limited US antiterrorist assistance for his security forces. We doubt, however,

that he will request substantial US aid for the military or would permit a large US advisory presence in Peru. []

64. Moreover, the counterinsurgency needs of Peru and Colombia will provide opportunities for other countries, including the Soviet Union and West European nations, to deepen their involvement through arms sales and counterterrorism training. Both countries have sought and accepted assistance from suppliers other than the United States in the past. Bogota almost certainly will reject overtures from Moscow or Soviet Bloc countries, but Barco currently is considering French suppliers—among others—for a major purchase of helicopters. The Peruvians are likely to continue to rely on the Soviets for most of their major equipment purchases in the short term. Peru declined the most recent Soviet offer of Moscow-based intelligence training by the KGB and a similar offer made by the Cubans last year because of budget constraints and concern over the ideological content of the training. Garcia, however, has not ruled out such training altogether, and the Soviet proposal is sure to be repeated if, [] the KGB's second in command visits Lima later this year. []

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ANNEX

Insurgent Groups in Peru, Colombia, and Ecuador

Peru

Sendero Luminoso

Sendero Luminoso's (SL) origins can be traced to the mid-1960s when its founder, Abimael Guzman, philosophy professor and political activist at the provincial university in Ayacucho, broke with the pro-Soviet Peruvian Communist Party to form his own organization. Guzman and his followers developed a hybrid ideology fashioned from elements of Marxism, Leninism, Maoism, and a rural populism that, according to one well-researched academic study, combines an emphasis on the revolutionary potential of the Indian peasantry with a fanatical Andean messianism recalling a mythical Incan golden age before the Spanish conquest. The Sendero ideology—with its emphasis on indigenous Indian values—rejects all that the white, Spanish-descended oligarchy represents. SL's violent tactics aim at the total elimination of the influence of Peru's whites and mestizos. Opposed to foreign influences of any kind, Sendero scorns Moscow-line Marxism and refuses to follow the tenets of any existing Communist government. []

Reports from the Peruvian military indicate that most Sendero recruits are Quechua-speaking Indians from the south-central highlands, although they also increasingly include Indians who have migrated to the squatter settlements surrounding Lima. []

[] most recruits are under 20 and some, particularly in the countryside, are as young as 14 or 15. Sendero's operational effectiveness is attributable in large part to its heavy emphasis on a tightly controlled cell structure and internal security. []

[] Sendero Luminoso has developed extensive intelligence nets, is highly compartmented, and uses primitive but effective means of communication such as couriers and coded messages. These factors combine to make the organization extremely difficult to penetrate, particularly so because each cell is ignorant of the orders of any other cell, and the cells usually do not carry out operations in their immediate home environs. []

Tupac Amaru Revolutionary Movement

The Tupac Amaru Revolutionary Movement (MRTA) is a radical leftist group that began its terrorist operation in 1984 and currently operates almost exclusively in Lima. We estimate its membership at approximately 300, with most members who are typically young, middle class, and urban. The group is pro-Cuban and anti-US in orientation and is responsible for many of the low-level harassment bombings of US businesses. Unlike the xenophobic SL, the MRTA is open to foreign support and seeks to unify disparate revolutionary movements, including leftist political parties, under its leadership and control. []

Colombia

Revolutionary Armed Forces of Colombia

The Revolutionary Armed Forces of Colombia (FARC) was created in 1966 as the armed wing of the Colombian Communist Party. It is the largest and most formidable of the Colombian insurgent groups and poses the greatest long-term threat to government stability. []

[] in some areas the ratio of FARC-to-government strength is 1 to 1. Although it currently maintains a truce with the government, the FARC continues to fund its limited military operations and political front party—the Patriotic Union—through extortion, kidnaping, and narcotics. []

We conservatively estimate its armed combatant strength at 3,500 to 4,500. The FARC maintains 33 fronts nationwide that are concentrated in the central mountain range. FARC probably also has a potentially threatening urban front in Bogota, which, if activated, would pose a grave threat to US personnel and facilities. []

National Liberation Army

The rural-based National Liberation Army (ELN) is a pro-Cuban, anti-US hardline Marxist-Leninist guerrilla group. Founded in 1963, it is the oldest of the major Colombian groups. Currently the most active in the National Guerrilla Coordinator (CNG)—a loose

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alliance of Colombian subversives opposed to the truce—the ELN is heavily targeting Colombian and foreign investors in the northeastern oil-producing region. It is the only major rebel group that refused to sign a truce with the government in 1984. []

Various reports indicate that ELN has grown considerably during the past three years and probably can field over 1,000 combatants. Rapid expansion and increasing activity probably impelled the group to challenge the better known 19th of April Movement leadership of the CNG. The ELN also reportedly has plans to establish new military units in central Colombia, including an urban force in Bogota. []

19th of April Movement

The 19th of April Movement (M-19) emerged in the early 1970s as a nationalist, anti-US leftist group. It is best known for its takeover of the Dominican Embassy in Bogota in 1980 and the ill-fated takeover of the Palace of Justice in 1985. Probably at Cuban urging, the M-19 spearheaded the formation of the CNG in late 1985. The group also is the primary participant in CNG's America Battalion—a rural guerrilla force that has engaged the Colombian military in the southwestern mountain areas since early 1986. []

The group has been plagued by serious leadership strains and ideological disputes since the accidental death of its charismatic founder, Jaime Bateman, in 1983. Although losing disaffected members, M-19 continues its recruiting activities and is attempting to expand into northern Colombia. It has been unable to mount a successful urban terrorist campaign since the Palace of Justice fiasco. We estimate its current strength at approximately 850 to 1,000. []

People's Liberation Army

The People's Liberation Army (EPL) is the armed wing of the pro-Beijing Colombian Communist Party/Marxist-Leninist, founded in 1967. The group funds operations largely through kidnappings, extortions, and robberies and is the smallest of the major insurgent groups. The EPL was responsible for the kidnapping of two American citizens—one since released, one dead—in December 1985. We estimate that the group can field approximately 450 to 600 armed combatants. Recent reporting suggests that the group may be expanding. []

Ecuador

Alfaro Vive, Carajo

The Alfaro Vive, Carajo (AVC) terrorist group first surfaced in 1983. The capabilities of the AVC were augmented, in large part, with assistance from the Colombian M-19. The M-19 provided the group with military training and even assisted in specific operations. Probably never larger than 300 combatants, the group appears to be in a state of disarray. Killings of several key leaders over the past year have demoralized the group and provoked an internal leadership crisis. These blows have practically dismantled the AVC as a national organization. In addition, the current relationship between the M-19 and the AVC members in the America Battalion operating in rural Colombia is apparently strained. Several AVC members have deserted the Battalion, and the remainder reportedly are suffering from low morale. We estimate the current AVC strength at 150 to 200. []